

ORDER NO. 2255

UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Before Commissioners:

Ruth Y. Goldway, Chairman;  
Mark Acton, Vice Chairman; and  
Robert G. Taub

Transferring First-Class Mail Parcels  
to the Competitive Product List

Docket No. MC2015-7

NOTICE AND ORDER CONCERNING TRANSFER OF  
FIRST-CLASS MAIL PARCELS  
TO THE COMPETITIVE PRODUCT LIST

(Issued November 20, 2014)

I. INTRODUCTION

On November 14, 2014, the Postal Service filed a notice with the Commission pursuant to 39 U.S.C. 3642 and 39 CFR 3020.30 *et seq.* requesting that the First-Class Mail Parcels product be removed from the market dominant list and that an identical service be added as a price category of the existing First-Class Package Service product, which appears on the competitive product list.<sup>1</sup> In support of its Request, the Postal Service filed the following documents:

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<sup>1</sup> Request of the United States Postal Service to Transfer First-Class Mail Parcels to the Competitive Product List, November 14, 2014 (Request).

- Attachment A—Resolution of the Governors of the United States Postal Service, November 13, 2014 (Resolution No. 14-10);
- Attachment B—Statement of Supporting Justification; and
- Attachment C—Draft Mail Classification Schedule (MCS) Language.

The Postal Service asserts that the new First-Class Parcels category fulfills all of the criteria for competitive products under section 3642. Request at 2. The Postal Service states that the new category will maintain the existing service standards and pricing structure of the First-Class Mail Parcels product.<sup>2</sup> It also states that after transfer, the new category will maintain the sealed against inspection feature, and with a price adjustment (increase), avoid the application of the Private Express Statutes for packages that might contain letters. Request, Attachment B at 2.

The Postal Service notes that the First-Class Package Service product currently has a cost coverage of 119 percent. *Id.* It asserts that with the addition of the First-Class Parcels category to this product, the product will continue to cover costs and contribute at least 5.5 percent towards the competitive product's share of total institutional costs. See 39 U.S.C. 3633(a)(3), 39 CFR 3015.7.

## II. COMMISSION ACTION

The Commission establishes Docket No. MC2015-7 to consider the Postal Service's proposals described in its Request. Interested persons may submit comments on whether the Request is consistent with the policies of 39 U.S.C. 404(a)(c), 3642, 3632, 3633, and 39 CFR 3020.30 *et seq.* Comments are due by December 17, 2014. Reply comments are due by January 7, 2015.

The Request and related filings are available on the Commission's website (<http://www.prc.gov>). The Commission encourages interested persons to review the Request for further details.

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<sup>2</sup> *Id.* As a market dominant product, the First-Class Mail Parcels product is subject to the service performance reporting requirements of 39 CFR 3055, *et seq.*

The Commission appoints Kenneth E. Richardson to serve as Public Representative in this proceeding.

### III. ORDERING PARAGRAPHS

*It is ordered:*

1. The Commission establishes Docket No. MC2015-7 to consider matters raised by the Request.
2. Pursuant to 39 U.S.C. 505, Kenneth E. Richardson is appointed to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in this proceeding.
3. Comments by interested persons are due by December 17, 2014.
4. Reply comments are due by January 7, 2015.
5. The Secretary shall arrange for publication of this Order in the *Federal Register*.

By the Commission.

Ruth Ann Abrams  
Acting Secretary